



ARIZONA DEPARTMENT OF EDUCATION

Procurement Section

1535 West Jefferson Street, Bin #37

Phoenix, Arizona 85007

ORIGINAL

CONTRACT/AGREEMENT MODIFICATION

Page 1 of 1

1. AGREEMENT NO.: ED04-0040	2. MODIFICATION NO.: 03	3. EFFECTIVE DATE: January 27, 2006	4. PROGRAM OFFICE: AIM
5. CONTRACTOR NAME AND ADDRESS: CTB/McGraw Hill, LLC 20 Ryan Ranch Road Monterey, CA 93940			
6. AUTHORITY FOR MODIFICATION: Special Terms and Conditions No. 2.			
7. PURPOSE OF MODIFICATION: To revise contract amount to include PM-07-A.			

8. THE ABOVE REFERENCED AGREEMENT IS HEREBY MODIFIED AS FOLLOWS:

Pursuant to Special Terms and Conditions no. 2, the contract is revised to recognize the following changes as agreed by ADE and CTB from CTB's proposed memorandum of understanding dated December 20, 2005.

CTB MOA Section I changes included in this agreement (CTB RAA dated January 26, 2006).

Item #:	Description:	Increase year 2 price by:
9	Fall 2005 High School test – Receipt of Barcode File	\$14,346.00
12	Fall 2005 High School test – Increase in Barcode Labels	\$9,368.00
15	Spring 2006 High School test – Receipt of Barcode File	\$21,980.00
16	Spring 2006 High School test - Increase Barcode Labels	\$17,910.00
Exhibit B-Item # 3	Science Stimulus Review Workshop	\$61,816.00
	This amendment increases year 2 by:	\$96,975.00
	Year 2 Price Increases from \$9,367,239 to:	\$9,464,215.00

Summary of increases to total contract price of \$44,725,148.00

Amendment 1 increased the total contract by \$353,528.00 to:

\$45,078,676.00

Amendment 2 increased the total contract by \$2,100,000.00 to:

\$47,178,676.00

And this Amendment 3 increases the total contract by \$96,975.00 to:

\$47,275,651.00

Note: amendment 1 and amendment 2 increased the year 1 price to:

\$13,495,027.00

The increases for items 9, 12, 15 and 16 are based on the price factors used by the Contractor in its Best and Final Offer, which was competitively bid. CTB provided acceptable cost and pricing detail to support its requested price increase for Exhibit B-Item # 3. Therefore this increase is determined to be fair and reasonable.

9. EXCEPT AS PROVIDED FOR HEREIN, ALL TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT/AGREEMENT NOT HERETOFORE CHANGED AND/OR MODIFIED REMAIN UNCHANGED AND IN FULL EFFECT.

IN WITNESS WHEREOF THE PARTIES HERETO SIGN THEIR NAMES IN AGREEMENT.

CONTRACTOR:

ARIZONA DEPARTMENT OF EDUCATION:

CTB/McGraw-Hill LLC

SIGNATURE OF AUTHORIZED INDIVIDUAL:

SIGNATURE:

TYPED NAME:

TYPED NAME:

ARTHUR SHIVELY

Douglas C Peoples, MBA, CPPB, CPCM

TITLE:

TITLE:

SR. VP OF FINANCE

Procurement Administrator

DATE:

DATE:

January 27, 2006

Back Solomon - 1-27-06



20 Ryan Ranch Road
Monterey, CA 93940
800-538-9547 Tel
831-393-6906 Fax

January 26, 2006

Ruth Solomon, Associate Superintendent
Douglas Peebles, Procurement Officer
Arizona Department of Education
1535 West Jefferson Street, Bin #37
Phoenix, AZ 85007

Dear Ruth and Doug:

Attached to this email is RAA Section I-A that describes the work CTB provided to ADE as detailed in Section I of our letter to ADE dated December 20, 2005 ("Memorandum of Understanding - November Meeting Summary Letter"). These items were reviewed with ADE on November 3, 2005 during a conference call and the pricing and scope for them was agreed to during that meeting.

Subsequent conversations with Doug Peebles and Roberta Alley on January 18 (and referencing Doug's letter to CTB dated January 6, 2006), have further defined ADE's position regarding additional back-up to support some of the delivered scope that was contained within Section I and Section II of our letter to ADE. CTB will provide ADE with the supporting documentation for those items.

Omitted from the December 20 letter was "Item #17 - DPA Assessment - Increased Page Counts for Test Materials." This item should have been included in Section II of our letter to ADE. ADE requested that CTB tie the costs associated with that item to the Best & Final Offer. That was done and submitted to ADE on November 7, 2005. Please review the back-up we provided for Item #17 and let us know if you require additional information.

CTB is requesting that ADE sign and submit the attached RAA which details those items that Doug has approved in Section I of the Memorandum of Understanding - November Meeting Summary Letter without requiring additional back-up.

Linn Williams will be working with Doug to discuss the other items contained within our December 20, 2005 letter, as Doug requires further clarification and discussion on derived pricing.

Thank you.

Sincerely,

Cynthia G. Fischer
Cynthia G. Fischer
Senior Program Manager

Cc:
Roberta Alley
Leslie Miller
Linn Williams

Request for ADE Approval

ARIZONA'S INSTRUMENT TO MEASURE STANDARDS (AIMS)

RAA ID#: Section I – A Date: January 26, 2006

- ☒ Decision
☒ Approval of Pricing

SECTION I Items

Topic:

CTB submitted a Memorandum of Understanding to ADE on October 14, 2005. The Memorandum of Understanding included pricing and a description of materials and services provided by CTB to ADE that were additional scope to the existing contract.

CTB reviewed the Memorandum of Understanding with ADE on November 3, 2005 during which time ADE approved the pricing for some of the additional items. Those items approved on November 3, 2005 were categorized into "Section I" in a letter dated December 20, 2005 to ADE ("Memorandum of Understanding - November Meeting Summary Letter"), attached to this RAA.

Based on a letter received from ADE dated January 6, 2006, a conference call with ADE representatives on January 18, 2006, and discussions with ADE on January 26, 2006, ADE has agreed to the pricing for the following items:

Item 9 – Fall 2005 High School – Receipt of Barcode File - \$14,346

Item 12 – Fall 2005 High School – Increase in Barcode Labels - \$9,368

Item 15 – Spring 2006 High School – Receipt of Barcode Label File - \$21,980

Item 16 – Spring 2006 High School – Increase in Barcode Labels - \$17,910

Item 3 – Exhibit B – Science Stimulus Review Workshop - \$33,371 (adjusted price)

The total dollar amount for these items is \$96,975

Price:

ADE agrees to pay CTB \$96,975 for Items 9, 12, 15, 16, and Item 3 in Exhibit B.

Agreed to by the following ADE staff:

Approved by:

Douglas Peeples, Procurement Officer

Signature

Date

Reviewed by:

Ruth Solomon, Associate Superintendent

Signature

Date

Please return this RAA to Lindy Wienand by fax at 888-282-9579 by COB on Friday, January 27, 2006.